

Consumer Alert

Providing consumers with knowledge to make informed choices and decisions.

Celebrating 30 Years of Service

A Publication of the South Carolina Department of Consumer Affairs

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South Carolina Essay Competition On Stopping Insurance Fraud



Top Officials Congratulates Essay Winners

The winners of the 2005 Stop Insurance Fraud Essay Competition were honored in a ceremony at the South Carolina State House on November 15, 2005. The eight middle school and eight high school winners were selected from over a 100 participants. Students were required to write an essay on the theme **"Why Should South Carolina Consumers Be Concerned About Insurance Fraud?"** The annual competition is held to raise awareness of how insurance fraud directly affects South Carolina citizens and businesses.

During the ceremony the winners, teachers and other invited guests heard congratulatory remarks and encouraging words from Allison Love, Executive Director, South Carolina Insurance News Service; Mike Gogan, President, South Carolina Insurance Fraud Investigators; Henry McMaster, State Attorney General; Dr. Lonnie Randolph, Interim Chair, Commission on Consumer Affairs; Eleanor Kitzman, Director, South Carolina Department of Insurance, and Brandolyn Thomas Pinkston, SCDCA Administrator. The contest was sponsored by the South Carolina Department of Consumer Affairs, South Carolina Attorney General's Office, South Carolina Insurance News Service, South Carolina Department of Insurance, Carolinas Chapter of National Association of Professional Employer Organizations and the South Carolina Insurance Fraud Investigators. ♦



State Attorney General: Henry McMaster



*2005 Essay
Competition
Winners*

Insurance Fraud Essay Winners

Middle School Winners

Maulana Moore	McCracken Jr. High School
Deondrea Glover	Clark Middle School
Candace Maynard	Clark Middle School
Kelcey McCoy	Clark Middle School
Mia Ulmer	Clark Middle School
Da'Shirelle Washington	Holly Hill Middle School
Nia Avila	Holly Hill Middle School
Chekella Waring	Holly Hill Middle School

High School Winners

Alexandria Bahan	Marion High School
Nikki Caulder	Marion High School
Anna Lane	Marion High School
Anna Williams	Seneca High School
Sierra Barnes	Scott's Branch
Joshua Tucker	Marion High School
Tarah Hooks	Marion High School
Heather Gaskins	Timberland High School

★**Congratulations!**★

South Carolina Department of Consumer Affairs

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About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection Code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education. For more information, visit www.sconsumer.gov.



The Holiday season is here and the race is on to find that perfect gift for that special someone. The South Carolina Department of Consumer Affairs encourages you to be a savvy holiday shopper, so here are some hints to help you save time and money while still purchasing that gift that will make this holiday the best one ever.

1. When shopping consumers should keep track of what they are spending. Credit cards are loans and impulse purchases can add up. Save receipts, compare monthly bills, and promptly report any problems to the credit card issuers.
2. Gift Cards are the new easy gift giving idea this holiday season. When purchasing the gift card it is essential to know whether there is an expiration date and what that expiration date is. Studies show that 20% of gift cards recipients never spend the entire amount. In November 2004, Governor Mark Sanford signed a law aimed at protecting consumers when giving gift cards. The law states that merchants must disclose all terms and conditions. It's also illegal to sell gift cards that expires less than a year, unless the expiration date is printed on the card in 10-point type in CAPITAL LETTERS.
3. For that perfect gift that is not so perfect, it's also wise to be aware of the refund and restocking policy. Refunds, exchanges, and restocking fees are all store policies, and can vary greatly from business to business. Restocking fees are charges businesses use to cover the processing, handling, or resale devalue of the original order if the item is returned. Restocking fees can range from 10 - 20 percent of the item purchase price. Remember once you buy the item, you are bound by the store's policies. These policies can be found at the check out, customer service stations, or on your receipt. If you don't see a copy of the policy ask for it before you buy.
4. Consumers should beware of "floating" checks. In 2004 a law referred to as Check 21, enabled financial institutions and businesses to send and receive electronic copies of checks. This process allows paper checks to convert into electronic images, allowing transactions to happen almost immediately. Consumers should always remain aware of their account balances and the amounts and dates of checks used. The key is not to write a check if you don't have the money to cover the transaction.
5. During the holiday season consumers should also be cautious of receiving unnecessary loans from payday and advance fee loan companies. These loans have tremendously high fees and interest rate charges can reach as high as 391% APR.

Buyer Beware

Questions About a Business?

The South Carolina Department of Consumer Affairs' Buyer Beware List has answers. Check the list at http://www.sconsumer.gov/buyer_beware_list.pdf in order to protect yourself as a consumer of products and services in South Carolina. You can contact the South Carolina Department of Consumer Affairs at www.state.sc.us/consumer.



LifeSmarts is an educational program aimed to develop consumer and marketplace skills for teenagers, grades 9th-12th grade. LifeSmarts teams consist of four players, an alternate and one or two adults, who will serve as coaches. Interested parties can still enter online until February 10, 2006. Teams that advance to the state level will compete in Columbia, SC on March 3rd, with the winners representing the state in the national competition April 22nd-25th at Philadelphia, PA. For more information contact Sherry G. King, LifeSmarts State Coordinator at 803.734.4195 or 1.800.922.1594.

The U.S. Consumer Product Safety Commission and Family Dollar Stores Recall Spinning Star Christmas Tree Topper



CPSC and the Family Dollar Stores have issued a voluntary recall of the Spinning Star Christmas Tree Topper. The item was sold at

the Family Dollar Stores from September 2005 through December 2005 for \$8.00. The tree topper is a plastic star with gold or silver metallic finish. The center of the tree topper has clear plastic center with a spinning disk with lights. "X'mas is written L.E.D. is written on the box. The tree topper can melt or smoke near the on/off switch, which could pose a fire hazard. Consumers are urged to stop using the Spinning Star Christmas Tree Topper and return it to the nearest Family Dollar Store for a full refund. The consumers can also contact Family Dollar at toll free at 800.547.0359 ext. 5365, between 8:30 A.M. and 5:00 P.M. ET Monday through Friday, or visit their Website at www.familydollar.com.

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South Carolina Department of Consumer Affairs Commission

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